JUL 15 1975

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July 9, 1975

CITY OF ELGIN GENERAL OBLIGATION INSTALLMENT
BOND NO. 2

$400,000

WE HEREBY CERTIFY that we have examined a duly certified transcript of proceedings had by the City of Elgin, Oregon, providing for the issuance of General Obligation Installment Bond No. 2 of the City in the sum of Four Hundred Thousand Dollars ($400,000) (being a part of an authorized issue of $600,000), being dated July 9, 1975, maturing annually in substantially equal installments as follows:

$26,420 on January 1, 1977 and on January 1 of each year thereafter, less accrued interest payable July 1 of each year;

provided, however, that the final installment of the entire indebtedness, if not sooner paid, shall be due and payable thirty (30) years from the date of the bond; provided, further, however, that all or a part of the outstanding bond installments are subject to call and redemption on any interest payment date in inverse numerical order; the bond bears interest at the rate of Five percent (5%) per annum, payable semiannually on the first day of January and the first day of July in each year, principal and interest payable at the Farmers Home Administration Office serving Union County, Oregon, and we have also examined the original executed Installment Bond No. 2.

In our opinion the aforesaid bond has been legally authorized, sold and issued under and pursuant to the Constitution and Statutes of the State of Oregon and the Charter of the City and constitutes a valid and legally binding obligation of the City of Elgin, Oregon.

The bond is payable from taxes which may be levied without limitation as to rate or amount upon all of the taxable property in the City.

In our opinion the interest on the bond is exempt from taxation by the United States of America under present income tax laws, and is also exempt from Oregon personal income taxes under present State laws.

Respectfully submitted,

Rankin, Walsh, Ragen & Roberts

Attorneys